

ORIGINAL

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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Docket No. MC98-1

Mailing Online Service

RESPONSE OF THE UNITED STATES POSTAL SERVICE
WITNESS STIREWALT TO INTERROGATORIES OF
MAIL ADVERTISING SERVICE ASSOCIATION
(MASA/USPS-T3-1, 4-7)

The United States Postal Service hereby provides the response of witness Stirewalt to the following interrogatories of Mail Advertising Service Association: MASA/USPS-T3-1, 4-7, filed on August 6, 1998. Interrogatories MASA/USPS-T3 - 2,3 were redirected to witness Garvey.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

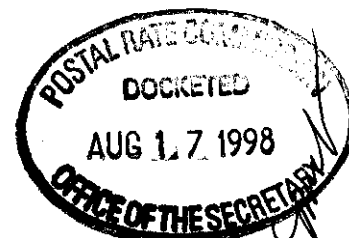
UNITED STATES POSTAL SERVICE

By its attorneys:

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August 17, 1998



Response Of Postal Service Witness Stirewalt
To MASA Interrogatory

MASA/USPS-T3-1. Does the Postal Service cost estimate include any costs associated with marketing MOL? If so, identify the costs associated with marketing and state the basis for the cost estimates. If not, explain fully why such costs have not been included in cost estimates for MOL.

RESPONSE

I do not include marketing costs in my estimates. However, see the Response of the United States Postal Service to OCA/USPS-T1-29(b)-(c), redirected from witness Garvey.

Response Of Postal Service Witness Stirewalt
To MASA Interrogatory

MASA/USPS-T3-4. Confirm that all costs associated with customer services have been estimated in the category "Technical Help Desk". If you cannot confirm, explain in detail why not and include an identification of all costs associated with customer service.

RESPONSE

I cannot confirm. My involvement is limited to estimating information technology costs. With respect to the Technical Help Desk , this includes all activities to support the information technology as described in my response to MASA/USPS-3-6(b), below. Please also see witness Garvey's response to MASA/USPS-T3-3, redirected from me.

Response Of Postal Service Witness Stirewalt
To MASA Interrogatory

MASA/USPS-T3-5. Confirm that for the two year period during which the experimental classification for MOL is proposed to be in effect:

a) the total personnel cost estimated in the cost category Technical Help Desk is

1999	282,000
2000	282,000

b) the total number of users of MOL is estimated to be

1999	5,981
2000	10,439

c) "users" as used in LR-1, Attachment 1, does not include potential customers who make inquiry about MOL, but do not end up utilizing the service.

Explain why Technical Help Desk costs for 1999 and 2000 are the same while the number of users is expected to increase.

RESPONSE

(a) Confirmed.

(b) Confirmed.

(c) Confirmed.

I used a set of calculations to arrive at a total number of calls hours for years 1999 and 2000, described explicitly in Attachment 1, page 11, and elaborated upon in my responses to OCA/USPS-T3-14, OCA/USPS-T3-15, and OCA/USPS-T3-16. According to these calculations, the required Technical Help Desk staff resource years for 1999 and 2000 are 1.33 and 1.8, respectively. To be conservative, I included an estimate of 3 resource years for both 1999 and 2000. That is why the Technical Help Desk costs for both years are the same.

Response Of Postal Service Witness Stirewalt
To MASA Interrogatory

MASA/USPS-T3-6.

- (a) Confirm that the Postal Service estimates that it will be necessary to assign 4 employees to functions in the Technical Help Desk category during 1999 and 2000. If you are unable to confirm, explain fully.
- (b) Describe in detail all job functions to be performed in the Technical Help Desk cost category.
- (c) Confirm that personnel assigned to perform job functions in the Technical Help Desk cost category will not perform job functions in any other cost category. If you cannot confirm, explain fully.

RESPONSE

- a) Confirmed. Refer to Attachment 1, page 11, my responses to OCA/USPS-T3-14 and OCA/USPS-T3-15, OCA/USPS-T3-16, and MASA/USPS-T3-5 above.
- b) Technical Help Desk functions include: 1) Responding to information technology-related problems, 2) Documenting reported problems as "problem tickets," 3) Answering technical queries and/or referring technical queries to appropriate technical personnel both inside and outside the Mailing Online processing site, 4) Monitoring the status of "problem tickets," 5) Elevating problems to appropriate levels of management, 6) Monitoring and reporting the status of the Mailing Online technology components in terms of availability (to users), the number of outstanding problem tickets.
- c) Confirmed.

Response Of Postal Service Witness Stirewalt
To MASA Interrogatory

MASA/USPS-T3-7. For purposes of the interrogatory, reference is made to LR-1, Attachment 1, page 11, under the heading "Technical Help Desk Resource Years".

- (a) Define the following terms: (i) Help Desk resource Years, (ii) First time call Hours, and (iii) On-going call hours.
- (b) Confirm that the "Total Call Hours" line is derived as the sum of the Total First Time Call Hours and Total On-going Call Hours, and not the product of those two numbers as reflected in the source column. If you cannot confirm, explain fully.
- (c) Explain fully the way you have treated "Total Call Hours" and "Technical Help Desk Call Hours" for purposes of your cost estimates.
- (d) Explain fully the methodology you have used to estimate "Total On-going Call Hours". Include in your answer a full description of the "experience during operational test" relied upon in making your estimate.
- (e) With respect to the line "percentage of customer calls requiring technical help" describe fully the "experience during the pilot referred to in the source column. Explain fully what percentage is indicated by that experience and why you used a "lower" percentage

RESPONSE

- a. Help Desk Resource Years refers to the numbers of work years required to man the Technical Help Desk. As shown in Attachment 1, page 11, Help Desk Resource Years is calculated by dividing the Total Help Desk hours by 2, then divided by (an assumed) 1800-hour work year. First Time Call Hours refers to the number of hours required to handle customers' initial calls. As shown in Attachment 1, page 11, First Time Call Hours is calculated by multiplying the estimated duration of the first customer call by the number increase in customers over the previous year, multiplied by a "turn over" factor of 1.5. As explained in my response to OCA/USPS-T3-15-a, I refer to

Response Of Postal Service Witness Stirewalt
To MASA Interrogatory

the number of calls over any given period of time, excluding the initial call for any given customer, as "on-going". As shown in Attachment 1, page 11 On-Going Call Hours is calculated by multiplying the total number of customers by .1 hour estimated average duration for any given on-going call, and multiplying by 3 calls average per year.


- b. Confirmed.
- c. For estimating purposes, I assumed that the Technical Help Desk would be contacted for a percentage of customer calls related to the Mailing Online Service. As I explained in my response to OCA/USPS-T3-16(b), in my professional opinion, less than 50% of calls should require technical assistance. I therefore felt it was reasonable to assume that the estimated "Technical Help Desk Call Hours" should be one half of the "Total Call Hours".
- d. Refer to my response to "a" above for a description of how I arrived at a figure for "Total On-going Call Hours". Refer to my response to OCA/USPS-T3-15(b) for a full description of the "experience during operational test" relied upon in making my estimate.
- e. Refer to my response to OCA/USPS-T3-15(b) for a full description of the "experience during operational test" relied upon in making my estimate.

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To MASA Interrogatory

Refer to my response to (c) above for an explanation of how I arrived at a
50% percentage.

DECLARATION

I, Daniel Stirewalt, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.



Dated: 8-17-98

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.


Richard T. Cooper

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